CNQC INTERNATIONAL HOLDINGS LIMITED
青建國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1240)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the "**Board**") of directors (the "**Directors**") of CNQC International Holdings Limited (the "**Company**" and its subsidiaries, collectively the "**Group**") is pleased to present the Group's consolidated results for the year ended 31 December 2024 (the "**Reporting Period**"), together with the comparative figures for the year ended 31 December 2023 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2024

	Notes	**2024** *HK$'000*	2023 *HK$'000*
Revenue	*3, 4*	**9,903,716**	10,422,620
Cost of sales	*5*	**(9,373,771)**	(10,156,477)
Gross profit		**529,945**	266,143
Other income	*6*	**64,777**	90,903
Other gain, net	*7*	**63,521**	8,625
Selling and marketing expenses	*5*	**(41,276)**	(95,349)
General and administrative expenses	*5*	**(283,648)**	(326,990)
Provision for impairment loss on expected credit loss	*5*	**(27,673)**	(28,652)
Operating profit/(loss)		**305,646**	(85,320)
Finance income	*8*	**51,852**	53,239
Finance costs	*8*	**(223,852)**	(327,730)
Share of results of associated companies		**(33,807)**	37,376
Share of results of joint ventures		**(7,698)**	(4,199)

	Notes	**2024** *HK$'000*	2023 *HK$'000*
Profit/(loss) before income tax		**92,141**	(326,634)
Income tax expense	*9*	**(48,750)**	(44,617)
Profit/(loss) for the year		**43,391**	(371,251)
Other comprehensive (expense)/income			
Items that may be reclassified subsequently to profit or loss			
— Exchange differences arising from translation of foreign operations		**(67,492)**	22,418
— Reclassification of cumulative translation reserve upon disposal of subsidiaries		**(19,983)**	–
		(87,475)	22,418
Total comprehensive expense for the year		**(44,084)**	(348,833)
Profit/(loss) for the year attributable to:			
Owners of the Company		**45,578**	(490,335)
Non-controlling interests		**(2,187)**	119,084
		43,391	(371,251)
Total comprehensive (expense)/income for the year attributable to:			
Owners of the Company		**(41,395)**	(474,671)
Non-controlling interests		**(2,689)**	125,838
		(44,084)	(348,833)
Earning/(loss) per share for profit/(loss) attributable to owners of the Company	*10*		
Basic (HK$)			
— ordinary shares		**0.028**	(0.298)
— convertible preference shares		**0.028**	(0.298)
Diluted (HK$)			
— ordinary shares		**0.028**	(0.298)
— convertible preference shares		**0.028**	(0.298)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	31 December 2024 HK$'000	31 December 2023 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**440,016**	474,578
Right-of-use assets		**69,159**	64,990
Goodwill		**563,768**	569,569
Other intangible assets		**58,150**	64,575
Investments in associated companies		**125,528**	541,267
Investments in joint ventures		**30,585**	16,307
Deferred income tax assets		**38,280**	64,415
Financial assets at fair value through other comprehensive income ("FVOCI")		**1,395**	1,425
Financial assets at fair value through profit or loss ("FVPL")		**167,380**	167,380
Prepayments, other receivables and deposits	12	**1,607,451**	863,265
Derivative financial instruments		**1,443**	–
		3,103,155	2,827,771
Current assets			
Development properties for sale	13	**1,055,373**	1,577,647
Inventories		**–**	11,460
Trade and other receivables, prepayments and deposits	12	**1,377,658**	2,586,893
Contract assets		**2,416,446**	2,479,818
Financial assets at FVPL		**–**	17,955
Tax recoverable		**2,636**	723
Pledged bank deposits		**4,009**	15,014
Cash and cash equivalents		**1,127,809**	1,604,091
Derivative financial instruments		**6,226**	–
		5,990,157	8,293,601
Total assets		**9,093,312**	11,121,372

	Notes	31 December 2024 HK$'000	31 December 2023 HK$'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital — ordinary shares		**15,183**	15,183
Share capital — convertible preference shares		**1,249**	1,249
Share premium		**3,261,225**	3,261,225
Other reserves		**(1,238,255)**	(1,151,282)
Retained earnings		**298,165**	252,587
		2,337,567	2,378,962
Non-controlling interests		**459,949**	448,000
Total equity		**2,797,516**	2,826,962
LIABILITIES			
Non-current liabilities			
Borrowings	*14*	**2,107,761**	1,069,359
Lease liabilities		**48,844**	43,146
Deferred income tax liabilities		**60,950**	129,512
		2,217,555	1,242,017
Current liabilities			
Trade and other payables	*15*	**2,819,611**	2,982,563
Contract liabilities		**23,795**	45,631
Income tax payables		**100,904**	13,873
Borrowings	*14*	**1,111,002**	3,979,159
Lease liabilities		**22,929**	30,318
Derivative financial instruments		**–**	849
		4,078,241	7,052,393
Total liabilities		**6,295,796**	8,294,410
Total equity and liabilities		**9,093,312**	11,121,372

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

CNQC International Holdings Limited (the "**Company**") is an investment holding company. The Company and its subsidiaries (together, the "**Group**") are principally engaged in property development, foundation and construction business in Singapore and Southeast Asia, Hong Kong and Macau.

The Company is a limited liability company incorporated in the Cayman Islands. The address of the Company's registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company has its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

These consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), unless otherwise stated.

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of preparation

(i) Compliance with HKFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance ("HKCO")

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards and the disclosure requirements of HKCO Cap. 622.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the financial assets at FVPL, financial assets at FVOCI and derivative financial instruments, which are measured at fair value.

(iii) Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(iv) New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

		Effective for annual periods beginning on or after
Amendments to HKAS 21	Lack of Exchangeability	1 January 2025
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

Except for the new HKFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all the amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements ("HKFRS 18")

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements ("HKAS 1"). This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and HKFRS 7 Financial Instruments: Disclosures. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made. HKFRS 18 will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3 SEGMENT INFORMATION

The chief operating decision-maker ("**CODM**") has been identified as the executive directors of the Company.

The CODM reviews the performance of the Group's operations mainly from a business operation perspective. The Group is organised into four main business segments, namely (i) Foundation and construction — Hong Kong and Macau; (ii) Property development — Hong Kong; (iii) Construction — Singapore and Southeast Asia and (iv) Property development — Singapore and Southeast Asia.

The "Foundation and construction — Hong Kong and Macau" segment mainly represents provision of foundation and construction work to property developers, loaning of labour and rental of equipment in Hong Kong and Macau. The "Property development — Singapore and Southeast Asia" and "Property development — Hong Kong" segment represent the sales of completed property units in Singapore and Southeast Asia and Hong Kong. The "Construction — Singapore and Southeast Asia" segment mainly represents provision of construction work to property developers, sales of goods, loaning of labour and rental of equipment in Singapore and Southeast Asia.

Segment performance is evaluated based on reportable segment results, which is a measure of adjusted profit/(loss) before income tax. The adjusted profit/(loss) before income tax is measured consistently with the Group's profit/(loss) before income tax except that finance income, finance costs, share of results of associated companies and joint ventures, inter-segment transactions as well as the head office and corporate expenses are excluded from such measurement.

Segment assets and liabilities exclude inter-segment balances and other unallocated head office and corporate assets and liabilities as these assets and liabilities are managed on a group basis.

Inter-segment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Information regarding the above segments is reported below.

	Foundation and construction — Hong Kong and Macau *HK$'000*	**Property development — Hong Kong** *HK$'000*	**Construction — Singapore and Southeast Asia** *HK$'000*	**Property development — Singapore and Southeast Asia** *HK$'000*	**Total** *HK$'000*
Year ended 31 December 2024					
Sales					
Sales to external parties	**2,956,922**	**–**	**5,882,120**	**1,064,674**	**9,903,716**
Inter-segment sales	**–**	**–**	**439,606**	**–**	**439,606**
Total segment sales	**2,956,922**	**–**	**6,321,726**	**1,064,674**	**10,343,322**
Adjusted segment profit/(loss)	**48,220**	**(46)**	**115,527**	**183,059**	**346,760**
Depreciation of property, plant and equipment	**41,257**	**–**	**16,871**	**280**	**58,408**
Depreciation of right-of-use assets	**13,086**	**–**	**19,139**	**811**	**33,036**
Amortisation of other intangible assets	**191**	**–**	**6,068**	**–**	**6,259**

	Foundation and construction — Hong Kong and Macau *HK$'000*	Property development — Hong Kong *HK$'000*	Construction — Singapore and Southeast Asia *HK$'000*	Property development — Singapore and Southeast Asia *HK$'000*	Total *HK$'000*
Year ended 31 December 2023					
Sales					
Sales to external parties	3,433,430	–	4,350,520	2,638,670	10,422,620
Inter-segment sales	–	–	348,470	–	348,470
Total segment sales	3,433,430	–	4,698,990	2,638,670	10,771,090
Adjusted segment profit/(loss)	63,055	(58)	(610,726)	501,049	(46,680)
Depreciation of property, plant and equipment	44,974	–	17,512	240	62,726
Depreciation of right-of-use assets	9,785	–	40,138	2,263	52,186
Amortisation of other intangible assets	191	–	6,215	–	6,406

During the year ended 31 December 2024, revenue of approximately HK$4,047,196,000 (2023: HK$3,190,683,000) representing 41% (2023: 31%) of the Group's total revenue was derived from a single external customer within the "Construction — Singapore and Southeast Asia" segment and HK$996,850,000 representing 10% of the Group's total revenue was derived from a single external customer within the "Foundation and construction — Hong Kong and Macau" segment (2023: the corresponding revenue did not contribute more than 10% of the Group's total revenue).

The following tables present segment assets and liabilities as at 31 December 2024 and 2023 respectively.

	Foundation and construction — Hong Kong and Macau *HK$'000*	Property development — Hong Kong *HK$'000*	Construction — Singapore and Southeast Asia *HK$'000*	Property development — Singapore and Southeast Asia *HK$'000*	Total *HK$'000*
As at 31 December 2024					
Segment assets	**2,074,237**	**666,877**	**4,311,408**	**4,019,523**	**11,072,045**
Segment liabilities	**1,630,216**	**672,497**	**3,509,165**	**2,776,053**	**8,587,931**

	Foundation and construction — Hong Kong and Macau *HK$'000*	Property development — Hong Kong *HK$'000*	Construction — Singapore and Southeast Asia *HK$'000*	Property development — Singapore and Southeast Asia *HK$'000*	Total *HK$'000*
As at 31 December 2023					
Segment assets	2,184,565	709,598	3,762,509	5,700,258	12,356,930
Segment liabilities	1,600,804	669,182	3,463,672	4,836,505	10,570,163

A reconciliation of segment results to profit/(loss) before income tax is as follows:

	2024 *HK$'000*	2023 *HK$'000*
Adjusted segment profit/(loss) for reportable segments	**346,760**	(46,680)
Unallocated expenses	**(40,229)**	(23,527)
Elimination	**(885)**	(15,113)
Finance income	**51,852**	53,239
Finance costs	**(223,852)**	(327,730)
Share of results of associated companies	**(33,807)**	37,376
Share of results of joint ventures	**(7,698)**	(4,199)
Profit/(loss) before income tax	**92,141**	(326,634)

A reconciliation of segment assets to total assets is as follows:

	2024 *HK$'000*	2023 *HK$'000*
Segment assets	**11,072,045**	12,356,930
Unallocated	**5,118,356**	5,928,432
Elimination	**(7,097,089)**	(7,163,990)
Total assets	**9,093,312**	11,121,372

A reconciliation of segment liabilities to total liabilities is as follows:

	2024	2023
	HK$'000	*HK$'000*
Segment liabilities	**8,587,931**	10,570,163
Unallocated	**4,804,954**	4,888,237
Elimination	**(7,097,089)**	(7,163,990)
Total liabilities	**6,295,796**	8,294,410

4 REVENUE

	2024	2023
	HK$'000	*HK$'000*
Construction contracts income	**8,835,550**	7,782,591
Sales of development properties	**1,064,674**	2,638,670
Income from loaning labour to other contractors	**3,492**	1,359
	9,903,716	10,422,620
Revenues from contracts with customers		
— recognised at a point in time	**3,492**	7,277
— recognised over time	**9,900,224**	10,415,343
	9,903,716	10,422,620

The Group primarily operates in Singapore, Southeast Asia, Hong Kong and Macau, and its revenue by geographical area is as follows:

	2024	2023
	HK$'000	*HK$'000*
Singapore	**6,532,347**	6,792,185
Hong Kong and Macau	**2,956,922**	3,433,430
Southeast Asia	**414,447**	197,005
	9,903,716	10,422,620

5 EXPENSES BY NATURE

	2024 *HK$'000*	2023 *HK$'000*
Contractor and material costs included in "Cost of sales"	**7,495,811**	7,203,713
Property development costs included in "Cost of sales"	**829,492**	2,026,165
Staff costs, including directors' emoluments	**918,533**	919,875
Sales commissions	**34,907**	91,257
Show flat costs	**117**	743
Marketing expenses	**6,252**	3,349
Travelling and entertainment expenses	**8,997**	4,899
Depreciation of property, plant and equipment	**58,408**	62,726
Depreciation of right-of-use assets	**33,036**	52,186
Amortisation of other intangible assets	**6,259**	6,406
Rental expenses on operating leases	**221,458**	144,983
Auditors' remuneration		
— audit and audit related services	**5,228**	8,358
— non-audit services	**815**	380
Other legal and professional fees	**38,784**	22,375
Provision for impairment loss on expected credit loss	**27,673**	28,652
Provision for/(reversal of) foreseeable losses on construction contracts	**389**	(9,022)
Other expenses	**40,209**	40,423
Total cost of sales, selling and marketing expenses, general and administrative expenses and provision for impairment loss on expected credit loss	**9,726,368**	10,607,468

6 OTHER INCOME

	2024 *HK$'000*	2023 *HK$'000*
Government grants *(Note)*	**1,869**	5,976
Management fee income	**20,516**	10,030
Rental income	**21,815**	18,292
Scrap sales	**12,436**	9,489
Dividend income from financial assets at FVOCI	**42**	–
Performance bonus from construction contracts	**–**	40,367
Forfeited customer deposits	**–**	919
Others	**8,099**	5,830
	64,777	90,903

Note:

Government grants primarily represent subsidies granted by local governments for foreign worker levy rebates. These subsidies were granted in the form of cash payment. There were no unfulfilled condition and other contingencies attached to the receipts of those subsidies.

7 OTHER GAIN, NET

	2024	2023
	HK$'000	*HK$'000*
Gain/(loss) on disposals of property, plant and equipment	**890**	(1,099)
Derivative financial instruments fair value gain/(loss)	**8,688**	(862)
Financial assets at FVPL fair value gain	**2,045**	4,712
Gain from acquisition of a subsidiary	**–**	5,879
Gain on disposal of subsidiaries	**46,808**	–
Gain on disposal of right-of-use assets	**1**	19
Exchange differences	**3,262**	(1,217)
Others	**1,827**	1,193
Other gain, net	**63,521**	8,625

8 FINANCE COSTS, NET

	2024	2023
	HK$'000	*HK$'000*
Finance income		
Interest income from bank deposits	**6,645**	19,895
Interest income from loans to associated companies	**41,629**	33,344
Interest income from loans to an investment company accounted for as financial assets at FVOCI	**3,578**	–
	51,852	53,239
Finance costs		
Interest expenses on lease liabilities	**(4,229)**	(3,061)
Interest expenses on bank borrowings and arrangement fee amortised in respect of bank facilities	**(190,231)**	(276,081)
Interest expenses on loans from non-controlling interests in subsidiaries	**(38,705)**	(50,392)
	(233,165)	(329,534)
Interest expenses capitalised	**209**	9,557
	(232,956)	(319,977)
Net foreign exchange gains/(losses)	**9,104**	(7,753)
	(223,852)	(327,730)
Finance costs, net	**(172,000)**	(274,491)

9 INCOME TAX EXPENSE

Hong Kong profits tax, Macau complementary tax, Singapore corporate income tax, Malaysia corporate income tax, Indonesia corporate income tax, Cambodia corporate income tax and Vietnam corporate income tax have been provided for at the rate of 16.5%, 12%, 17%, 24%, 22%, 20% and 20% respectively for the years ended 31 December 2024 and 2023 on the estimated assessable profit in the respective jurisdictions, adjusted for those items which are not assessable or deductible for income tax purpose.

	2024	2023
	HK$'000	*HK$'000*
Current income tax		
— Hong Kong profits tax	**4,371**	1,781
— Singapore corporate income tax	**82,157**	8,873
— Cambodia corporate income tax	**–**	186
— Others	**24**	–
Under/(over)-provision in prior years		
— Hong Kong profits tax	**438**	–
— Singapore corporate income tax	**–**	(1,695)
— Indonesia corporate income tax	**3,227**	522
— Others	**1,363**	–
Total current income tax expense	**91,580**	9,667
Deferred income tax	**(42,830)**	34,950
Income tax expense	**48,750**	44,617

10 EARNING/(LOSS) PER SHARE

Basic

	2024	2023
	HK$'000	*HK$'000*
Profit/(loss) attributable to ordinary shares	**42,114**	(453,104)
Profit/(loss) attributable to convertible preference shares ("**CPS**")	**3,464**	(37,231)
Profit/(loss) attributable to owners of the Company	**45,578**	(490,335)

	2024		2023	
	Ordinary shares	**CPS**	Ordinary shares	CPS
Weighted average number of issued shares for the purpose of calculating basic earning/(loss) per share *(in thousands)*	**1,518,320**	**124,876**	1,518,320	124,876
Basic earning/(loss) per share *(HK$)*	**0.028**	**0.028**	(0.298)	(0.298)

Basic earning/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares and CPS outstanding for each of the years presented.

In addition to a non-cumulative and discretional preferred distribution from the date of the issue of the CPS at a rate of 0.01% per annum on the issue price of HK$2.75 per CPS payable annually in arrears, each CPS is entitled to any dividend pari passu with the holders of the ordinary shares. In addition, the holders of the CPS shall have priority over the holders of ordinary shares on the assets and funds of the Company available for distribution in a distribution of assets on liquidation, winding-up or dissolution of the Company up to an amount equal to the aggregate nominal amounts of the CPS issued (i.e. HK$9,519,000). Distributions beyond this amount are to be made on a pari passu basis among the holders of any class of shares including the CPS. Hence, the rights of the CPS to the entitlements of dividend and distribution of assets are substantially the same as those of the ordinary shares of the Company. Accordingly, the CPS is accounted for as an equity instrument and is included in the calculation of earning/(loss) per share.

Diluted

	2024		2023	
	Ordinary shares	**CPS**	Ordinary shares	CPS
Weighted average number of issued shares for the purpose of calculating diluted earning/(loss) per share *(in thousands)*	**1,518,320**	**124,876**	1,518,320	124,876
Diluted earning/(loss) per share *(HK$)*	**0.028**	**0.028**	(0.298)	(0.298)

Diluted earning/(loss) per share is calculated by adjusting the weighted average number of ordinary shares and CPS outstanding to assume conversion of all dilutive potential ordinary shares relating to the outstanding share options issued by the Company as at year end dates. The number of shares that would have been issued assuming the exercise of the share options less the number of shares that could have been issued at fair value (determined as the average market price of the Company's share for the year) for the same total proceeds is the number of shares issued for no consideration. The resulting number of shares issued for no consideration is included in the weighted average number of ordinary shares as the denominator for calculating diluted earning/(loss) per share. For the years ended 31 December 2024 and 2023, no diluted earnings per share were presented as there were no potential ordinary shares in issue.

11 DIVIDENDS

The directors do not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: HK$nil).

12 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	2024	2023
	HK$'000	*HK$'000*
Current		
Trade receivables *(Note (b))*		
— Associated companies	**89,624**	34,097
— Related parties	**5,135**	8,155
— A joint operation	**6,804**	–
— An investment company accounted for as financial assets at FVOCI	**7,452**	–
— Third parties	**607,720**	1,668,224
	716,735	1,710,476
Retention receivables from customers for construction contract work *(Note (c))*		
— Associated companies	**570**	4,407
— Related parties	**–**	500
— A joint operation	**5,263**	–
— An investment company accounted for as financial assets at FVOCI	**245**	–
— Third parties	**456,252**	447,523
	462,330	452,430
Other receivables *(Note (d))*		
— Associated companies	**29,197**	16,269
— Related parties	**24,673**	81,701
— Third parties	**11,671**	15,580
Prepayments	**55,469**	86,983
Deposits	**44,189**	67,966
Staff advances	**2,952**	4,713
Goods and services tax receivable	**5,269**	7,446
	173,420	280,658
Loans and interest receivables		
— Associated companies *(Note (e))*	**25,173**	31,879
— A joint venture *(Note (f))*	**–**	111,450
	25,173	143,329
	1,377,658	2,586,893
Non-current		
Loans and interest receivables		
— Associated companies *(Note (e))*	**1,430,398**	800,386
— A joint venture *(Note (f))*	**111,450**	–
— An investment company accounted for as financial assets at FVOCI *(Note (g))*	**64,042**	60,562
Prepayments and other receivables	**1,561**	2,317
	1,607,451	863,265

Notes:

(a) The credit periods granted to customers were in general 30 days. No interest was charged on the outstanding balance.

(b) The aging analysis of the trade receivables based on invoice date is as follows:

	2024	2023
	HK$'000	*HK$'000*
1–30 days	**487,781**	1,596,698
31–60 days	**126,489**	32,861
61–90 days	**2,749**	23,543
Over 90 days	**99,716**	57,374
	716,735	1,710,476

As at 1 January 2023, trade receivables from contracts with customers amounted to HK$1,206,916,000. Out of the past due balances, HK$93,257,000 (2023: HK$57,374,000) has been past due 90 days or more and is not considered as in default because those debtors are with continuous settlements and no default history noted.

(c) Retention receivables in respect of the construction and foundation businesses are settled in accordance with the terms of the respective contracts. Retention receivables held by customers for construction and foundation work amounting to approximately HK$303,890,000 (2023: HK$338,588,000) are expected to be recovered in more than twelve months from 31 December 2024.

(d) Other receivables due from associated companies, related parties, and third parties were unsecured, interest-free and repayable on demand.

(e) Loans receivables to associated companies of HK$1,455,571,000 (2023: HK$832,265,000) represent shareholders' loans provided by the Group to various associated companies that engage in property development in Singapore and Hong Kong.

In accordance with the shareholders' agreements, the Group and the other shareholders contributed minimal amount of capital and substantially all portion of the associates' capital expenditures and working capital were funded through shareholders' loans and other external financings. The shareholders' loans were provided pursuant to the commitments set out in the respective shareholders' agreements entered into when the property development companies were established and were made in proportion to the percentages of the Group's shareholdings in these property development companies. Loans receivables to associated companies are unsecured and have no fixed repayment terms. The shareholders' loans are repayable in part or in full on any date to be agreed between the associated companies and its shareholders and are interest-bearing at a fixed rate of 4% to 5% or at a floating rate of 1% over Singapore Overnight Rate Average ("**SORA**") (2023: fixed rate 4% to 5%) per annum as at 31 December 2024.

The directors of Company assessed the impairment of loans receivables to the associated companies on a regular basis with reference to the financial position, the financial budget and the estimated future cash flows of the associated companies, which the Group has full access to the financial statements and the complete books and records of the associated companies. Factors including the pre-sale of the relevant development properties (for property development projects in Singapore), progress of construction of the development properties and other current market conditions are considered in the impairment assessment. Based on the assessment performed by the directors, no provision for impairment was recognised against the loans receivables, interest receivables and other receivables to associated companies as at 31 December 2024 and 2023.

Details of the material loans and interest receivables to associated companies of the Group as at 31 December 2024 are as follows:

As at 31 December 2024, loan and interest receivable of HK$399,934,000 (2023: HK$375,980,000) represent shareholders' loan to TQS Development Pte. Limited ("**TQS**"), an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a fixed rate of 4% per annum. The directors of the Company consider that the loan and interest receivable from TQS will be settled after the development properties are delivered to the customers and the issuance of Temporary Occupation Permit ("**TOP**") by the Building and Construction Authority of Singapore, hence, it is classified as non-current asset in the consolidated statement of financial position.

As at 31 December 2024, loan and interest receivable of HK$252,142,000 (2023: HK$266,186,000) represent shareholders' loan to TQS(2) Development Pte. Limited ("**TQS(2)**"), an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a fixed rate of 4% per annum. The directors of the Company consider that the loan and interest receivable from TQS(2) will be settled after the development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore, hence, it is classified as non-current asset in the consolidated statement of financial position.

As at 31 December 2024, loan and interest receivable of HK$179,798,000 (2023: HK$158,220,000) represent shareholders' loan to Jubilant Castle Limited, an associated company of the Group that engage in property development in Hong Kong through its subsidiary, Wealth Honour Limited. The loan receivable is unsecured and interest-bearing at a fixed rate of 5% per annum. The directors of the Company consider that the loan and interest receivable from Jubilant Castle Limited will not be repayable within one year from the end of the reporting period, hence, it is classified as non-current asset in the consolidated statement of financial position accordingly.

As at 31 December 2024, loan and interest receivable of HK$232,420,000 (2023: HK$nil) represent shareholders' loan to Media Circle Development Pte. Limited ("**Media Circle**"), an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a floating rate of 1% over SORA per annum. The directors of the Company consider that the loan and interest receivable from Media Circle will be settled after the development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore, hence, it is classified as non-current assets in the consolidated statement of financial position.

As at 31 December 2024, loan and interest receivable of HK$341,232,000 (2023: HK$nil) represent shareholders' loan to Pasir Ris Development Pte. Limited ("**Pasir Ris**"), an associated company of the Group that engage in property development in Singapore. The loan receivable is unsecured and interest-bearing at a floating rate of 1% over SORA per annum. The directors of the Company consider that the loan and interest receivable from Pasir Ris will be settled after the development properties are delivered to the customers and the issuance of TOP by the Building and Construction Authority of Singapore, hence, it is classified as non-current assets in the consolidated statement of financial position.

(f) As at 31 December 2024, loan receivable of HK$111,450,000 (31 December 2023: HK$111,450,000) represents shareholders' loan to CNQC & SAMBO Co. Ltd., a joint venture of the Group that engages in property development in Hong Kong through its non-wholly owned subsidiary, Apex Intelligence Limited. The loan receivable is unsecured, interest-free and repayable on demand. The directors of the Company consider that the loan and interest receivable from CNQC & SAMBO Co. Ltd. will not be repayable within one year from the end of the reporting period, hence, it is classified as non-current asset in the consolidated statement of financial position accordingly. Shareholders' loan was granted on same basis in note (e). Based on assessment performed by the directors with same basis in note (e), no provision for impairment was recognised against the loans receivables and interest receivables to a joint venture as at 31 December 2024 (2023: same).

(g) As at 31 December 2024, loan and interest receivable of HK$64,042,000 (2023: HK$60,562,000) represents shareholders' loan to ZACD LV Development Pte. Ltd., an investment company that engages in property development in Singapore. The investment company is accounted for as financial assets at FVOCI. The loan is unsecured and interest bearing at a fixed rate of 5% per annum. The directors of the Company consider that the loan and interest receivable from ZACD LV Development Pte. Ltd. will not be repayable within one year from the end of the reporting period, hence, it is classified as non-current asset in the consolidated statement of financial position accordingly. Shareholders' loan was granted on same basis in note (e). Based on assessment performed by the directors with same basis in note (e), no provision for impairment was recognised against the loans and interest receivables to an investment company accounted for as financial assets at FVOCI as at 31 December 2024 and 2023.

The carrying amounts of the Group's trade and other receivables (excluding prepayments) approximate their fair values. The Group did not hold any collateral as security for its trade and other receivables.

13 DEVELOPMENT PROPERTIES FOR SALE

	2024	2023
	HK$'000	*HK$'000*
Properties in the course of development		
Leasehold land at cost	**841,308**	1,460,049
Development costs	**148,730**	46,946
Overheads expenditure capitalised	**6,583**	10,372
Interest expenses capitalised	**58,752**	60,280
	1,055,373	1,577,647

The capitalised interest rate applied to funds borrowed and used for the development of properties ranges from 5.3% to 6.0% per annum for the year ended 31 December 2023.

As at 31 December 2024, development properties for sale with net carrying amounts of HK$1,018,419,000 (2023: HK$1,538,858,000) were pledged as securities for certain bank borrowings of the Group.

14 BORROWINGS

	2024	2023
	HK$'000	*HK$'000*
Current		
Bank borrowings — secured	**228,865**	1,350,047
Bank borrowings — unsecured	**866,878**	1,850,998
Bank borrowings — mortgaged	**744**	58,128
Loans from non-controlling interests — unsecured	**14,515**	719,986
	1,111,002	3,979,159
Non-current		
Bank borrowings — secured	**519,385**	–
Bank borrowings — unsecured	**1,051,955**	553,898
Bank borrowings — mortgaged	**73,831**	22,404
Loans from non-controlling interests — unsecured	**462,590**	493,057
	2,107,761	1,069,359
Total borrowings	**3,218,763**	5,048,518

At 31 December 2024, the Group's borrowings were repayable as follows:

	Bank Loan		Other Loan	
	2024	2023	**2024**	2023
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Within 1 year (on demand and within 1 year)	**1,096,487**	3,259,173	**14,515**	719,986
Between 1 and 2 years	**515,503**	309,568	**247,907**	128,271
Between 2 and 5 years	**1,062,020**	246,898	**214,683**	364,786
Later than 5 years	**67,648**	19,836	**–**	–
Total	**2,741,658**	3,835,475	**477,105**	1,213,043

15 TRADE AND OTHER PAYABLES

	2024	2023
	HK$'000	*HK$'000*
Current		
Trade payables *(Note (b))*		
— Related parties	**1,282**	3,529
— An associated company	**151**	154
— Third parties	**1,644,259**	1,753,946
	1,645,692	1,757,629
Other payables to:		
— Non-controlling interests	**210,338**	116,501
— Related parties	**235,152**	44,836
— Associated companies *(Note (c))*	**278**	288,679
— Third parties	**53,172**	65,733
— Goods and services tax payable	**29,895**	13,624
	528,835	529,373
Accruals for operating expenses	**126,879**	135,445
Accruals for construction costs	**399,854**	507,211
Deposits received from customers	**10,538**	6,000
Deferred gain	**104,944**	44,471
Provision for foreseeable losses on construction contracts	**2,869**	2,434
	645,084	695,561
	2,819,611	2,982,563

Notes:

(a) The credit terms granted by the suppliers were usually within 14 to 60 days.

(b) The aging analysis of trade payables (including amounts due to related parties and an associated company of trading in nature) based on invoice date was as follows:

	2024	2023
	HK$'000	*HK$'000*
1–30 days	**1,029,423**	1,254,018
31–60 days	**334,389**	276,900
61–90 days	**109,709**	108,548
Over 90 days	**172,171**	118,163
	1,645,692	1,757,629

(c) During the reporting period, an associated company declared a final dividend of HK$377,909,000 to the Group, of which HK$286,689,000 was used to offset the balance with associated companies.

Included in other payables, the amounts due to non-controlling interests, associated companies, related parties and third parties were unsecured, interest-free and repayable on demand. The carrying amounts of trade and other payables approximated their fair values.

16 PERFORMANCE BONDS AND CONTINGENT LIABILITIES

At each consolidated statement of financial position date, the Group had the following performance bonds:

	2024	2023
	HK$'000	*HK$'000*
Guarantees on performance bonds in respect of construction contracts	**955,177**	1,562,819

The Company also issued corporate guarantees to banks for borrowings of the Group's associated companies, a shareholder of the joint venture and a related party of which the subsidiaries of the Company are non-controlling shareholders. As at 31 December 2024, corporate guarantees issued in relation to these bank borrowings amounted to HK$1,596,630,000 (2023: HK$777,204,000).

FINAL DIVIDEND

The Board does not recommend the payment of dividend for the year ended 31 December 2024 (2023: Nil).

For the purpose of ascertaining the entitlement of shareholders of the Company to attend and vote at the forthcoming annual general meeting on Friday, 20 June 2025, the register of members of the Company will be closed from Monday, 16 June 2025 to Friday, 20 June 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the forthcoming annual general meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 13 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Singapore Construction Market Review

The construction volume of Singapore in 2024 is expected to be S$32 billion to S$38 billion, benefiting from the supportive government measures and major national projects of Singapore, such as the Changi Airport Terminal 5 project, the Tuas Harbour project and public residential development projects. It is anticipated that the Singapore government will contribute 55% of domestic construction projects, while private sectors will contribute 45%. The Singapore government continues to prioritise large-scale infrastructure projects, such as the expansion of public transportation network (e.g. metro lines and light-rail system), upgrades of airports and ports and smart city initiatives. The construction of the Changi Airport Terminal 5 project remains the key focus. With the recovery of international air travel, the project is expected to be accelerated.

As the Singapore government implements more stringent requirements on the sustainability of new projects, sustainable construction is becoming increasingly important. The initiatives of Building and Construction Authority ("**BCA**") (such as the Green Building Masterplan) continue to promote the construction solutions with lower energy consumption and carbon emissions.

During the Reporting Period, the Group was awarded four HDB projects in Singapore by the Housing and Development Board of Singapore (HDB), namely, the Ulu Pandan residential project, the Kallang Whampoa Contract 74 and Common Green residential project, the Woodlands Neighbourhood 9 residential project and the Yishun Neighbourhood 8 Contract 16–17 and Park residential project in Singapore.

Hong Kong Construction Market Review

The total nominal value of construction works in 2024 announced by the Census and Statistics Department of the Hong Kong Government is about HK$290.5 billion, representing a year-on-year increase of 7.2% (the total nominal value performed at public sector sites amounted to HK$117.3 billion in 2024, up by 26.7% in nominal terms over a year earlier, becoming the main driving force), which is basically in line with the Construction Industry Council's projection that the total volume of construction works in Hong Kong in the next ten years will be from HK$240 billion to HK$375 billion. One of the main reasons that the construction industry has maintained a high growth rate amidst the downturn in the private construction market is the Hong Kong Government's vigorous promotion of public housing construction.

During the Reporting Period, the Group was granted four construction projects by the Hong Kong Housing Authority in Hong Kong during the year, i.e. the public housing development project at San Kwai Street, Kwai Chung, the public housing development project at Lai Chi Kok Road, Sham Shui Po, the public housing development project at Tin Wah Road Phase 1, Yuen Long and the public housing development project at Tung Chung Area 133A. It was also granted two construction projects by the Architectural Services Department of Hong Kong in respect of the construction of the main contract works for construction of a 12-classroom special school at Oi Kwan Road, Wan Chai, which is a concrete modular integrated construction ("**MiC**") project and the main contract works for reprovisioning of cremators and related works at Kwai Chung Crematorium. In addition, the Group was awarded a contract by the Campus Development Office of The Chinese University of Hong Kong in respect of the MiC project for the student hostel portion of the multifunctional building and student hostel at Chung Chi Campus of The Chinese University of Hong Kong, and the construction project by Hong Kong Cingleot Investment Management Limited for deferred possession area of Cainiao Smart Gateway.

Malaysia Construction Market Review

In 2024, the construction industry market in Malaysia reached a scale of approximately US$38.55 billion (approximately RM181.1 billion). It is expected to grow to US$58 billion (approximately RM273 billion) by 2029, with a compound annual growth rate (CAGR) of 8.55%. In 2024, the government allocated RM90 billion for development expenditures, covering transportation, energy and public infrastructure construction. Coupled with private investment, the total funds for construction activities are expected to reach RM180 billion. Key projects include large-scale projects such as the East Coast Rail Link (ECRL), the Penang Light Rail Transit (LRT), the Johor-Singapore Special Economic Zone (JS-SEZ), and the Pan Borneo Highway in Sabah. The process of urbanization and population growth have been driving residential demand, particularly for affordable housing projects. In 2024, the output of residential construction increased by 27.8% year-on-year, making it the fastest-growing sector.

Singapore Property Market Review

In 2024, Singapore's GDP grew by 4%, which was higher than the growth rate of 1.1% in 2023. The overall prices of private residential properties in Singapore have been rising for eight consecutive years. In 2024, the growth in the private residential price reached 3.9%, representing a significant slowdown as compared to the growth of 6.8% in 2023 and 8.6% in 2022. Throughout 2024, developers launched a total of 6,647 private residential units for sale, representing a decrease of approximately 12% as compared with 7,551 units in 2023. Meanwhile, developers sold a total of 6,469 private residential units (excluding EC units) in 2024, representing an increase of approximately 1% as compared to the 6,421 units sold in 2023.

Hong Kong Property Market Review

In 2024, the property market in Hong Kong experienced significant fluctuations. According to the Rating and Valuation Department's statistics, the private domestic price index dropped by approximately 7.1% throughout the year, with the market continuing to bear the pressure of price adjustments. Despite the fact that the government has successively introduced stimulating measures such as reducing stamp duty and relaxing mortgage policies to boost buyers' confidence and promote transaction recovery, but the overall market has yet to show clear signs of revival. Primary residential properties reached approximately 16,000 transactions, and secondary residential properties reached approximately 40,000 transactions, reaching a record high in nearly three years, which indicates that the market still has not been able to break away from the adjustment cycle, though there are signs of a market rebound.

Meanwhile, benefiting from the government's active policy of attracting talents and the higher enrollment proportion of international students in major universities, the demand in the rental market has continued to rise, driving the average residential rent to increase by 6.9% throughout the year. The rental market's robust performance sharply contrasts with the decline in property prices, reflecting the growth in the market's demand for short-term housing. Overall, in 2024, the property market in Hong Kong sought a balance between price adjustments and policy interventions, and its future trend will still be influenced by the macroeconomic environment and further measures taken by the government.

BUSINESS REVIEW

Construction Business

The construction projects undertaken by the Group can be broadly divided into two major geographical segments, namely "Singapore & other Southeast Asia" and "Hong Kong & Macau". In Singapore & Southeast Asia, the Group tenders for public construction works, and external private construction works and has been engaged in the Group's property development projects, whereas in Hong Kong & Macau, the Group is mainly responsible for superstructure construction, foundation works and provision of ancillary services with particular specialisation in piling works.

The Group's revenue from the Singapore and Southeast Asia construction contracts for the Reporting Period was approximately HK$5.88 billion (2023: approximately HK$4.35 billion). The revenue from construction contracts of the Hong Kong & Macau segment was approximately HK$2.96 billion (2023: approximately HK$3.43 billion).

During the Reporting Period, for the Singapore segment, the Group completed 5 external construction projects, including 2 public residential projects, 1 public facility project and 2 private residential apartment projects. In 2024, the Group obtained 4 HDB public residential projects and 2 private residential apartment projects with an aggregated contract sum of approximately HK$7.86 billion. As at 31 December 2024, the Group had 22 external construction projects on hand and the outstanding contract sums were approximately HK$12.04 billion.

During the Reporting Period, for the Southeast Asia construction market, the Group obtained 1 private resort project and 1 commercial building structure project. In 2024, the Group obtained 2 private residential apartment projects, 1 demolition project and 1 automobile factory project with an aggregated contract sum of approximately HK$0.72 billion. As at 31 December 2024, the Group had 7 external construction projects on hand with outstanding contract sum of approximately HK$1.18 billion.

As for the Hong Kong & Macau segment, the Group was awarded 14 new foundation and superstructure construction business projects with aggregated contract sums of approximately HK$4.75 billion. As at 31 December 2024, the outstanding contract sums of the 38 projects on hand were approximately HK$7.17 billion.

Property Development Business

The Group focused on the development and sale of quality residential projects in Singapore.

As of the end of 2024, the cumulative contract sales rate of Forett at Bukit Timah (a private condominium development project of the Group at Toh Tuck Road) achieved 100%, with 633 units sold. This project obtained the temporary occupation permit and completed the delivery of residential units in 2024.

As of the end of 2024, the cumulative contract sales rate of Tenet (an Executive Condominium development project of the Group at Tampines Street 62) was approximately 100%, with 618 units sold.

As of the end of 2024, the cumulative contract sales rate of Altura (an Executive Condominium development project of the Group at Bukit Batok West Avenue 8) was approximately 97.8%, with 352 units sold.

As of the end of 2024, the cumulative contract sales rate of the Arden (a private condominium development project of the Group at Phoenix Road, Singapore) was approximately 77%, with 81 units sold.

During the Reporting Period, the Group was granted a number of industrial awards, including Top 10 Developers in Singapore (新加坡十大開發商) from BCI Asia.

The sales revenue and the average selling price ("**ASP**") realised by the Group are set out in the table below:

Project	**Sales Revenue 2024** *(HK$' million)*	**ASP 2024** *(HK$/sq.m.)*
Forett at Bukit Timah	650.23	125,396
The Arden	412.14	111,392

Forett at Bukit Timah is a mid-end private condominium development project. The project recognised the sales revenue based on the percentage of construction completion throughout the year of 2024. Therefore, it recognised pre-sales revenue of approximately HK$650 million.

The Arden is a mid-end private condominium development project. The project recognised the sales revenue based on the percentage of construction completion throughout the year of 2024. Therefore, it recognised pre-sales revenue of approximately HK$412 million.

As at 31 December 2024, the Group's current portfolio of property development projects consisted of 2 private condominium development projects and 2 executive condominium projects across Singapore. The total salable area ("**SFA**") is approximately 160,800 sq.m.. The project details are as follows:

Project	Location	Intended use	Site area	Total SFA	Cumulative contracted sales area	Cumulative contracted sales amount	% of completion as at 31 December 2024	Estimated year of construction completion	Ownership relationship
			sq.m.	*sq.m.*	*sq.m.*	*HK$ billion*			
Forett @ Bukit Timah	32–46 Toh Tuck Road, Singapore	Residential, Private and Retail Space	33,457	50,003	49,859	6.23	100%	July 2024	Subsidiary
The Arden	2/2A/2B–24/24A/24B Phoenix Road, Singapore (even numbers)	Residential, Private and Retail Space	6,465	9,687	5,968	0.66	66.6%	March 2026	Subsidiary
Tenet	Tampines Street 62, Singapore	Residential	23,799	62,159	61,949	5.39	78.4%	December 2025	Associated company
Altura	Bukit Batok West Avenue 8, Singapore	Residential	12,499	38,951	36,634	3.40	32.0%	March 2026	Associated company

Forett @ Bukit Timah

Forett @ Bukit Timah is a private condominium project on freehold land which consists of 4 blocks of 9-storey apartments, 9 blocks of 5-storey apartments (with a total of 633 residential units and 2 retail shops), underground car parks and communal. The project is located at the even numbers of 32–46 Toh Tuck Road in Bukit Timah Planning Area, Singapore.

The total SFA of this project is 50,003 sq.m. (including residential units of 49,859 sq.m. and commercial units of 144 sq.m.) and the percentage of saleable area pre-sold was 100% as at 31 December 2024. The construction was completed in the third quarter of 2024.

The Arden

The Arden is a private condominium project on a leasehold land with land use right of 99 years. The project has a total land site area of 6,465 sq.m. and the total estimated gross floor area is 9,687 sq.m.. It is planned to be developed into 3 blocks of 5-storey with about 105 residential units, underground car parks and communal facilities. The project is located at the even numbers of 2/2A/2B–24/24A/24B Phoenix Road.

The total SFA of this project is 9,687 sq.m. and the percentage of saleable area sold was 61.6% as at 31 December 2024. The construction is scheduled to be completed in March 2026.

Tenet

Tenet is an executive condominium project on a leasehold land with a lease term of 99 years, including 11 blocks of 15-storey residential buildings with 618 units, 1 block of multi-storey car park and 1 floor of underground car park. It has communal facilities and landscape views. The project is located at Tampines Street 62.

The total SFA of this project is 62,159 sq.m. and the percentage of saleable area sold was 99.7% as at 31 December 2024. The construction is scheduled to be completed in December 2025.

Altura

Altura is an executive condominium project on a leasehold land with a land use right of 99 years. The total land site area is 12,499 sq.m. and the SFA is estimated at 38,951 sq.m.. It is intended to be developed into 6 blocks of 15-storey residential buildings with around 360 residential units, 1 block of multi-storey car park and 1 floor of underground car park. It has communal facilities and landscape views. The project is located at Bukit Batok West Avenue 8.

The project's total SFA is 38,951 sq.m.. As at 31 December 2024, the percentage of saleable area sold was approximately 94.1% and the construction is scheduled to be completed in March 2026.

Land bank status

(1) Media Circle project, Singapore

As at 8 February 2024, the Group and Forsea Residence won a bid in respect of the land on Media Circle located in one-north mediapolis in Singapore at the consideration of S$395.29 million. The site is a private condominium project on a leasehold land with land use right of 99 years. The total land site area is 10,632 sq.m. and the total SFA is estimated at 30,834 sq.m.. It is intended to be developed into 1 floor of commercial space and 1 floor of underground car park with around 350 residential units, equipped with communal facilities and landscape.

(2) Pasir Ris project, Singapore

As at 1 August 2024, the Group, Forsea Residence and ZACD Laserblue won a bid in respect of the land on Jalan Loyang Besar located in Pasir Ris in Singapore at the consideration of S$557.00 million. The site, is an executive condominium project on a leasehold land with land use right of 99 years. The total land site area is 28,405.5 sq.m. and the SFA is estimated at 71,014 sq.m.. It is intended to be developed into more than 700 residential units, equipped with underground car parks, communal facilities and landscape.

(3) Yau Tong project, Hong Kong

The Group acquired the land parcel located at Yau Tong Marine Lot No. 58 & 59 and their extensions thereto for a total consideration of HK$530 million. The site area for the lots and its extensions thereto are approximately 17,400 sq. ft. and 5,400 sq. ft. respectively. The maximum allowable plot ratio under the Approved Outline Zoning Plan is 5. Town Planning Board Application to redevelop the site into a residential development was approved in June 2020. The amendment planning of project was approved in March 2022. General building plans were approved by the Buildings Department in February 2024. Land exchange procedures are currently in progress.

(4) Sham Shui Po project, Hong Kong

In January 2023, the Group completed the acquisition for 100% aggregate ownership of all 4 lots located at 163–169 Yee Kuk St in Sham Shui Po. Together with its joint-venture partners, the site will be redeveloped into student apartment with restaurant and rooftop lounge. General building plans were approved by the Buildings Department in October 2020. Demolition works for the existing buildings were completed in the fourth quarter of 2023. The foundation work commenced in 2024.

(5) Tai Po project, Hong Kong

The Group, in partnership with Vanke Property (Hong Kong) Company Limited, was awarded the site located along Ma Wo Road, Tai Po, New Territories held under Tai Po Town Lot No. 243 in July 2020 at the premium price of HK$3.705 billion. Tai Po Town Lot No. 243 has a site area of approximately 243,353 sq. ft. and is designed for private residential purposes. The maximum gross floor area is 781,897 sq. ft.. General buildings plans for the development were approved in December 2021. The project has been named “Le Mont” and completed the first phase of sales in the first quarter of 2025.

The management believes that it is essential to replenish its land bank for the Group’s sustainable project development in the coming years. The Group will follow its current strategy on land bank reserve whilst taking a prudent approach in selecting quality land at a reasonable price suitable for the Group’s investment.

Investment in medicine fund

In 2020, the Group entered into subscription agreements to subscribe for limited partnership interests in a fund which is engaged in the investment in healthcare and biotechnology related business at an aggregate subscription amount of up to US$25.64 million (equivalent to HK$200 million). As at 31 December 2024, the Group had an aggregate subscription amount of approximately US$20.92 million (equivalent to HK$163 million). The fund is focusing on research and development of certain new medicines, including super antibiotics against super bacteria, and new drugs for the treatment of rheumatoid arthritis, chronic obstructive pulmonary disease and atopic dermatitis. Please refer to the announcement of the Company dated 21 May 2020 for further details.

The latest research and development progress of the new medicines is as follows:

1. The new medicine for the treatment of chronic obstructive pulmonary disease was approved as an investigational new drug for Phase I clinical trial in the first half of 2021. As there are new requirements for technical review, we have updated the approval in February 2025 with additional information.

2. The new medicine for the treatment of atopic dermatitis was approved as an investigational new drug for Phase I clinical trial in the first half of 2022.

3. The new medicine of the super antibiotics was approved as an investigational new drug for Phase I clinical trial in the second half of 2022.

4. The new medicine for the treatment of rheumatoid arthritis was approved as an investigational new drug for Phase I clinical trial in the second half of 2023.

Currently, the relevant clinical plans for the four new medicines have been formulated and further adjustments will be made given the changing market situation. In view of the overall downturn in the biopharmaceutical market, strengthening anti-corruption measures on hospitals by the government and frequent adjustments to the regulations governing clinical trials, it is expected the clinical program will be delayed until late 2025, thus the Company will focus on 1-2 new drugs first. In addition, the Company has communicated with the fund manager and does not rule out the possibility of finding suitable industrial partners for joint research and development or the transfer of interests.

FINANCIAL REVIEW

Revenue

The Group's total revenue for the Reporting Period was approximately HK$9.9 billion (2023: approximately HK$10.4 billion), representing a decrease of 5.0% as compared with that for the year ended 31 December 2023. The decrease was mainly due to the decrease in property development revenue from Singapore during the Reporting Period.

During the Reporting Period, the revenue from the "Foundation and construction — Hong Kong and Macau" segment was approximately HK$3.0 billion (2023: approximately HK$3.4 billion), representing a decrease of approximately 13.9% over the same period last year.

During the Reporting Period, revenue derived from the projects in Singapore and South East Asia was approximately HK$6.9 billion (2023: approximately HK$7.0 billion). Out of the approximately HK$6.9 billion revenue derived from the Singapore and South East Asia segment, revenue derived from construction business was approximately HK$5.9 billion (2023: approximately HK$4.4 billion), representing an increase of 35.2% over the same period last year and the aggregate contracted sales of properties amounted to approximately HK$1.1 billion (2023: approximately HK$2.6 billion), representing a decrease of 59.7% over the same period last year.

Gross Profit Margin

The Group's gross profit margin during the Reporting Period was approximately 5.4% (2023: approximately 2.6%). The increase in gross profit margin was mainly due to optimisation of construction cost in Singapore and hence the gross profit margin increased during the Reporting Period when compared to the corresponding period in 2023.

Selling and Marketing Expenses

The Group's selling and marketing expenses for the Reporting Period were approximately HK$41.3 million (2023: approximately HK$95.3 million), which was approximately 0.4% (2023: approximately 0.9%) of the Group's total revenue. The decrease was due to the decrease in sales commissions incurred for property sales during the Reporting Period.

General and Administrative Expenses

The Group's general and administrative expenses for the Reporting Period were approximately HK$283.6 million (2023: approximately HK$327.0 million), which was approximately 2.9% (2023: approximately 3.1%) of the Group's total revenue. The decrease was mainly due to the decrease in staff costs recognised during the Reporting Period.

Finance Costs

During the Reporting Period, the Group decreased its total borrowings which resulted in a decrease in the Group's finance costs to approximately HK$223.9 million during the Reporting Period (2023: approximately HK$327.7 million).

Net Profit

During the Reporting Period, the Group recorded a net profit of approximately HK$43.4 million (2023: net loss of approximately HK$371.3 million). Profit attributable to owners of the Company amounted to approximately HK$45.6 million (2023: net loss attributable owners of the Company of HK$490.3 million).

The turnaround from net loss to net profit was primarily attributable to (i) the improvement in the gross profit margin of Singapore construction segment for the Reporting Period as compared to the corresponding period of 2023; and (ii) the decrease in finance cost and the administrative expenses, resulting from the meticulous optimization of the debt structure and stringent cost control of the Group as compared to the corresponding period of 2023.

NON-COMPETITION DEED

To minimise the potential competition, the Group, Guotsing Holding Group Co. Limited and Guotsing Holding Company Limited (collectively, the "**Covenantors**") entered into a deed of non-competition dated 22 September 2015, pursuant to which the Covenantors have severally and jointly undertaken that they will not engage in property development or property construction in Hong Kong, Macau and Singapore (the "**Restricted Territories**").

In addition, they have also given the right of first refusal to the Company whereby any of the Covenantors must submit a formal written application to the Company if they wish to engage in any of the above restricted businesses in the Restricted Territories, and the Company must decide within 30 days whether or not it shall participate in such business. Only the independent non-executive Directors will be involved in the decision-making process of the Group in deciding whether to exercise the aforementioned right of first refusal to avoid any potential conflicts of interest.

PROSPECTS

According to the announcement released by the Ministry of Trade and Industry of Singapore, the gross domestic product (GDP) of Singapore is expected to slow down and grow by only about 1%-3% in 2025. In the long term, Singapore's economy will remain competitive. According to the Sustainable Trade Index 2024 released by International Institute for Management Development (IMD), Singapore ranks fourth globally and maintains its leading position among Asian economies.

The outlook for Singapore's construction market remains optimistic, thanks to the government's continued investment in infrastructure and urban renewal projects, as well as its ongoing efforts for sustainability. However, challenges in management, such as labor shortages and fluctuating material costs, persist. According to the Singapore government's plans, the total population is expected to reach between 6.5 million and 6.9 million by 2030. To accommodate this population growth, the government plans to build up to 700,000 new residential units by 2030. Of these, approximately 200,000 units are already in preparation or progress. Additionally, the government has outlined longer-term plans, including: the redevelopment of former racecourse in Bukit Timah: the area will be developed into the Horse Racing City project and expected to house around 20,000 public and private residential units; the relocation of the Paya Lebar Air Base: in the 2030s, the land freed up by the relocation of the Paya Lebar Air Base will be used to build about 150,000 HDB flats and private residential units; development of Bayshore residential area and Simei region: Bayshore residential area, which is adjacent to the East Coast Park, and Simei region will feature a combination of private and public housing along with supporting facilities and recreational projects; development of vicinity of Upper Changi MRT Station: more public housing and facilities will be built on the vicinity of the Upper Changi MRT Station in the future. These plans aim to ensure that Singapore can meet future population growth with sufficient and diverse housing options to cater to different demographics. The Group will focus on Singapore government projects and maintain its existing dominant position in the HDB market, while exploring bidding opportunities for other construction projects, such as infrastructure projects.

The Singapore government's digital transformation will continue to improve efficiency, and the increasing focus on green building plans will shape the future of the industry. In 2025, the Singapore government will continue to promote automation and innovative technologies. The Group has participated in certain Singapore BCA innovation and productivity programs, such as utilizing robotic technology for spray painting in the Group's ongoing projects. The HDB has also announced that robotic spray-painting technology will be employed in approximately half of the new build to order projects in 2025. The Group is pleased to be one of the pioneers of such technology. The Group is also exploring other innovative technologies with BCA, such as smart passenger elevators and other labor-saving construction technologies, to enhance on-site productivity. In summary, while there are challenges such as labor shortages and rising costs, the overall outlook for Singapore's construction industry in 2025 remains optimistic as driven by the government's initiatives, technological adoption and a strong focus on sustainability.

The Singapore Government Land Sales (GLS) for the first half of 2025 will release 10 confirmed list sites, which are expected to yield 5,030 private residential units for providing sufficient supply to maintain the stability of the housing market. The Singapore market continues to offer long-term growth opportunities and expansion space for the Group. The Group will continue to strengthen its presence in the Singapore market, seek quality projects and leverage its leading position in property development and property investment to solidify its standing as a mainstream local developer.

According to the Economic and Fiscal Outlook 2025 (《2025年經濟與財政展望報告》), the construction industry in Malaysia is expected to grow by 9.4% in 2025. RM50 billion has been allocated for infrastructure development in Budget 2025. Major infrastructure projects such as the Sarawak-Sabah Link Road Phase 2, Kuching Urban Transport System, Sabah Pan-Borneo Highway Phase 1B will continue to be advanced. On 11 January 2025, a ground-breaking ceremony was held for Penang Light Rail Transit (LRT) project, the construction of which will bring new development opportunities for the construction industry.

With the advancement of digital technologies such as big data and artificial intelligence, the construction of data centers will continue to be a new growth engine for the construction industry. Global enterprises such as Microsoft, Amazon Web Services and Google have chosen to expand their data centers in Malaysia, which will drive the development of related construction projects. The government's emphasis on infrastructure development has attracted substantial domestic and foreign investment laying a solid foundation for long-term growth. The growth of the service industry and the increase in the number of inbound tourists, etc., will drive the demand in related fields such as commercial buildings and hotels, etc. In addition, with the improvement of people's requirements for quality of life, the demand for residential projects such as green and environmentally friendly high-end communities is also expected to increase.

Hong Kong's latest Policy Address has again proposed the vigorous construction of 300,000 public housing units in the next ten years, of which 189,000 units will be built in recent five years. The construction of the Northern Metropolis has also entered the implementation stage, and it is expected to provide 500,000 residential units and related supporting works in the future. The Airport Authority Hong Kong has also recently released a HK$100 billion development plan for the airport city, and the successive implementation of these construction projects will continue to drive the growth of the construction market in Hong Kong. The Group has won a number of tenders from the Hong Kong Government for public housing construction projects. In the future, the Group will continue to focus on the public housing construction market and will certainly benefit from the rich experience of the Prefabricated Prefinished Volumetric Construction projects in Singapore and gain more development opportunities.

For the Hong Kong property market, according to the Hong Kong Government's 2024/25 Land Sale Programme, the government will launch eight residential plots, which, together with railway property development, private development and redevelopment and Urban Renewal Authority development projects, will bring the potential residential supply in the coming year to approximately 15,150 units. Besides, there are two commercial plots and one industrial plot providing approximately 120,000 sq.m. of commercial floor area and 544,000 sq.m. of industrial floor area, respectively. All these indicate that the government will continue to maintain a stable supply of land and buildings. Looking forward to 2025, the Hong Kong housing market is expected to stabilize after an initial decline. In the first half of the year, due to the impact of high inventories and oversupply, it may continue to decline, and gradually stabilize in the second half of the year with the expectation of interest rate cuts and the release of demand. In 2024, the comprehensive removal of stringent measures has stimulated transaction volume. The policy effect may gradually weaken in 2025, and the market will return to fundamentals. The government may include residential properties in the Capital Investment Entrant Scheme or allow MPF to be used for home purchases, in order to further stimulate demand. The Fed's interest rate cut is expected to reduce mortgage costs and improve the affordability of home buyers. Driven by policies and interest rates, the housing market has gradually bottomed out.

DEBTS AND CHARGE ON ASSETS

The total interest-bearing borrowings of the Group, including bank borrowings, loan from non-controlling interests and lease liabilities, decreased from approximately HK$5.1 billion as at 31 December 2023 to approximately HK$3.3 billion as at 31 December 2024. Borrowings were denominated mainly in Singapore Dollar, Hong Kong Dollar and US Dollar. Interests on bank borrowings were charged at floating rates. The Group currently does not have an interest rate hedging policy and the Group monitors interest risks continuously and considers hedging any excessive risk when necessary.

These banking facilities were secured by the Group's property, plant and equipment and development properties for sale with net carrying amounts of HK$201,865,000 (2023: HK$223,852,000), and HK$1,018,419,000 (2023: HK$1,538,858,000), respectively.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has funded the liquidity and capital requirements primarily through medium term notes issuance, bank borrowings and cash inflows from operating activities.

As at 31 December 2024, the Group had cash and cash equivalents of approximately HK$1.1 billion (2023: approximately HK$1.6 billion) of which approximately 79.3% was held in Singapore Dollar, 15.1% was held in Hong Kong Dollar, 4.0% was held in US Dollar and the remaining was mainly held in Malaysian Ringgit and Vietnamese Dong. The gearing ratio of the Group as at 31 December 2024 (defined as the net debt divided by total equity plus net debt, where net debt is defined as borrowings and lease liabilities less cash and cash equivalents and pledged bank deposits) was approximately 43.6% (2023: approximately 55.3%).

During the Reporting Period, the Group employed financial instrument for currency hedging purposes.

FOREIGN EXCHANGE

Since the Group mainly operates in Singapore and Hong Kong and most of the revenue and transactions arising from its operations were settled in Singapore Dollar and Hong Kong Dollar, and the Group's assets and liabilities were primarily denominated in Singapore Dollar and Hong Kong Dollar, the Board believes that the Group will have sufficient foreign exchange to meet its foreign exchange requirements. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates. During the Reporting Period, the Group minimises its foreign exchange exposure of borrowing by way of entering into forward contracts with reputable financial institutions. The hedging policies are regularly reviewed by the Group.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Reporting Period, there was no significant investment, material acquisition and disposal of subsidiaries and associated companies by the Company.

CAPITAL COMMITMENTS

As at 31 December 2024, the Group had capital commitments of approximately HK$0.9 million (2023: HK$3.9 million) for development expenditure and HK$1.4 million (2023: HK$10.6 million) for purchase of property, plant and equipment. Save as disclosed in this announcement, the Group did not have any existing plan for acquiring other material investments or capital assets.

CONTINGENT LIABILITIES

Save as disclosed in note 16 to the financial information in this announcement, the Group had no other contingent liabilities as at 31 December 2024 and 31 December 2023.

EVENT AFTER THE REPORTING PERIOD

Saved as disclosed in this announcement, there are no other significant events after the Reporting Period and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2024, the Group had 2,916 full-time employees (2023: 2,857 full-time employees). Most of the Group's employees were based in Singapore and Hong Kong. The remuneration policy and package of the Group's employees were periodically reviewed. Apart from provident funds and in-house training programmes, salary increments and discretionary bonuses may be awarded to employees according to the assessment of individual performance.

The total remuneration cost incurred by the Group for the Reporting Period was approximately HK$918.5 million (2023: approximately HK$919.9 million).

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S SECURITIES

On 21 June 2024, the Company's shareholders granted a general mandate (the "**Repurchase Mandate**") to the directors of the Company to repurchase shares of the Company at the annual general meeting (the "**AGM**"). Pursuant to the Repurchase Mandate, the Company is allowed to repurchase up to 151,832,003 shares, being 10% of the total number of issued shares of the Company as at the date of the AGM, on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

Corporate Governance Code

The Company had complied with all the applicable code provisions as set out in the Corporate Governance Code contained in Part 2 of the Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") during the Reporting Period.

CODE OF CONDUCT REGARDING DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct of the Company regarding Directors' transactions of the listed securities of the Company. All Directors have confirmed, following a specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code throughout the Reporting Period.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The audit committee of the Company (the "**Audit Committee**") has reviewed with the Company's management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters in relation to the preparation of the consolidated financial statements for the Reporting Period. It has also reviewed the audited consolidated financial statements for the Reporting Period and recommended them to the Board for approval. The Audit Committee was satisfied that these consolidated financial statements were prepared in accordance with applicable accounting standards.

Scope of work of Messrs. Deloitte Touche Tohmatsu

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 31 March 2025. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

By Order of the Board
CNQC International Holdings Limited
Mr. Wang Congyuan
Chairman

Hong Kong, 31 March 2025

As at the date of this announcement, the Board comprises (i) four executive Directors, namely Mr. Wang Congyuan (Chairman), Dr. Du Bo, Mr. Li Jun (Chief Executive Officer) and Mr. Du Dexiang (Co-Chief Executive Officer); (ii) one non-executive Director, namely Mr. Liu Jiazhen; and (iii) four independent non-executive Directors, namely Mr. Tam Tak Rei, Raymond, Mr. Chan Kok Chung, Johnny, Mr. Liu Junchun and Ms. Liu Juan.